

April 18, 1975

MEMORANDUM FOR THE RECORD

SUBJECT: Meeting with Senator Percy

1. On Thursday, 17 April, [REDACTED] OCI [REDACTED] OLC, and I met for about an hour at Senator Percy's request to discuss various aspects of the Middle East. Scott Cohen of the Senator's staff joined us.

2. The Senator began by noting he had recently talked with a friend just returned from Egypt who had remarked on some "unusual stirrings around." Percy had asked that this information be passed to State and to us and offered to follow up if we heard nothing further. As the Senator was using this for openers in his question and answer session we never did get a very clear picture of just what stirrings had been noted, although apparently relocation of population in the Delta was involved.

3. Senator Percy was particularly interested in the question of how long Sadat could wait before some military action was required. [REDACTED] replied that Sadat was being very level-headed but we did not want to bet against military action if some progress on negotiations was not made before mid-summer. We noted that part of the problem was how each side perceived the threat with the inherent risk of a pre-emptive strike.



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5. The Senator also was quite interested in the economic picture for both Egypt and Israel. We pointed out that the reopening of the Suez Canal was not going to solve Cairo's fiscal problems. The Senator said that the current Israeli request for 2.5 billion in aid was not likely to be accepted in whole by the Congress. He said he had pointed this out to various Israeli leaders when he met with them in December.

6. We discussed the bleak prospects for any success in Geneva and commented on the problems everyone had with the PLO, including the Russians. The Senator volunteered that he had found this to be true in his talks with various Middle East leaders, with the Shah particularly outspoken in his anti-PLO views.

7. We were asked if we could confirm a recent meeting between Soviet and Israeli representatives and if we could provide some idea of the financial impact reopening the Suez could have on Egypt. We agreed to look into this and respond.

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